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SUBJECT Economic Conditions in the China-Tonkin Border Area

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THIS IS UNEVALUATED INFORMATION

- While travel across the China-Tonkin border was permitted from early 1947 to early 1950, only government officials have been permitted to cross the frontier since May 1950. The ban on travel has imposed hardships on Vietnamese living in Democratic Republic of Vietnam (DRV) areas, as they formerly obtained cloth, medical supplies and luxury articles from China. The transport of products such as cloth, matches and cigarettes into Vietnam is now prohibited, but Chinese rice and salt can still be obtained. The current rate of exchange is 1 Ho Chi Minh piaster to 12 jen min p'iao.
- Since the occupation of the Cao Bang-Bac Kan-Lang Son border area, the DRV has instituted a "five-family survey" security system, whereby five families are grouped together under an elected chief, who is responsible to the Security Services for the conduct of the group.
- Border townsin the Viet Bac Intersector, such as Ha Giang, Cao Bang, Nuoc Hai and Lang Son, are adequately equipped with food and military supplies. DRV troops in this area, supplied by the Chinese Communists, enjoy the same living conditions as the Chinese troops.
- Troops in other areas of the Viet Bac, such as Thai Nguyen, Phu Tho and Yen Bay, are very poorly equipped and are forced to obtain rice from Vinh Yen-Phuc Yen and Intersector III. Rice shipments for these provinces are transported via the Vinh Yen-Phuc Yen road to the River Lol, by which they are shipped to Tuyen Quang. In addition to this heavy river traffic, supplies are carried by DRV guerrillas, travelling both during the day and at night, to Tuyen Queng.
- Arms supplies from South China to Cao Bang are transported by Chinese Communist troops travelling in convoys of 30 to 40 vehicles. The Chinese carry their own food supplies for the journey. From Cao Bang, the convoys travel via Nuoc Hai to Thai Nguyen. They travel only at night, scattering in the woods during the day.
 - Comment. According to available maps of the area, only the Gam and Claire rivers flow through Thai Nguyen. Coordinates for the River Lo are given as 105-07, 20-22.

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